

GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT

A.P. Port Department – Kakinada Port – Allotment of Port lands on lease basis – Reallotment of lease of land in T.S.No.403/2B3, Ward No.6, Block No.14 to M/s Foods Fats & Fertilizers Ltd. (FFF) for a period of two years – Orders – Issued.

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INFRASTRUCTURE & INVESTMENT (PORTS-II) DEPARTMENT

G.O.Ms.No. 17

Dated: 10-07-2012.

Read the following:-

1. G.O.Ms.No.73, TR&B(P)Dept., dated 24-1-1979.
2. From the Director, FFF., representation, dt.26-10-2010.
3. From the Director of Ports, Lr.No.DoP/D3/1563/2007, dated 6-11-2010.
4. Govt. Memo.No.919/P.II/2010-3, I&I Dept., dt.13-1-2011.
5. From the DoP., Lr.No.DoP/D3/2952/2009, dt.29-1-2011 addressed to M/s FFF Ltd. & copy marked to Govt.
6. Judgment of the HC of A.P., dated 09-08-2011 in W.P.No.3192/2011.
7. From M/s FFF Ltd., representation, dated 20-08-2011.

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ORDER:

In the G.O. first read above, orders were issued by the Government allotting Port land to an extent of 4130.836 sq. mts. to M/s Foods, Fats & Fertilizers Ltd., Tadepalligudem in T.S.No.403/2B3, Ward No.6, Block No.14 of Kakinada Municipality on long lease basis for a period of 30 years for construction of godowns for storage of goods for export prior to shipping to overseas. Accordingly, a lease deed was registered by the Director of Ports. As per the lease deed, an amount of Rs.2723-50 ps. per annum was agreed to be paid by the lessee, the firm, towards lease rent. The lease period was expired by 20-3-2010.

2. The Director, M/s FFF Ltd., in his representation 2<sup>nd</sup> read above has requested the Government to issue orders re-allotting the port land to them on lease basis for a further period of 30 years with the structures & godowns with the same terms and conditions.

3. The Director of Ports, Kakinada in his letter 3<sup>rd</sup> read above has reported that the firm in their representation, dated 16-11-2009 had requested for re-allotment of the land for a further period of 30 years and that as there is no provision in the lease agreement for re-allotment of land or renewal of the lease in favour of the Lessee, the Port Officer, Kakinada had resumed the land after expiry of the lease period. Since the lessee did not take away the structures, though required to do so by a Notice dated 29-10-2010, the structures were also taken over by the Port Officer, Kakinada. The Director of Ports, Kakinada has requested the Government to permit him to issue notice for reallotment of the land and godowns in the Port land to M/s FFF Ltd. on long lease basis for a period of 30 years, fixing the annual rent of Rs.14,68,865/- with 5% increase every year or to invite open bids with the said annual rent as upset price, if the firm does not communicate its willingness for the above terms.

4. In the Memo. 4<sup>th</sup> read above, the Director of Ports has been requested to obtain the willingness of the firm for reallotment of land fixing the annual rent at Rs.14,68,865/- with 5% increase every year and then come up with specific proposals to the Government for taking necessary action. The Director of Ports has requested the firm to confirm its willingness for the same vide reference 5<sup>th</sup> read above.

5. When the matter stood thus, M/s Foods, Fats & Fertilizers Ltd., has filed W.P.No.3192/2011 in the Hon'ble High Court of A.P. seeking directions to hand over the godowns constructed in the above land.

6. The Hon'ble High Court of A.P. in its Judgment, dated 9-8-2011 in W.P.No.3192 of 2011, has directed the petitioner to make a comprehensive representation to the respondent No.1, i.e., Principal Secretary to Govt., Infrastructure & Investment Dept. by raising relevant objections to the impugned letter, dated 29-1-2011 of respondent No.2, i.e., Director of Port, Kakinada within two weeks and on receipt of such representation, the respondent No.1 should consider the same in the light of G.O.Ms.No.2, Infrastructure & Investment Department, dated 9-1-2009 and take a decision on renewal/grant of fresh

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lease in favour of the petitioner within a period of one month from the date of such representation from the petitioner. It was further directed that till expiry of the above mentioned period, the Petitioner is permitted to pay the rents as envisaged in G.O.Ms.No.2, Infrastructure & Investment Dept., dated 9-1-2009.

7. Consequent on the above directions of the Hon'ble High Court of A.P., the firm has submitted a representation dated 17-9-2011 requesting the Government to grant extension of lease of Kakinada Port land for a further period of 30 years and hand over possession of the leased land, structures, immediately.

8. In the present case, the Port Officer, Kakinada has already taken over possession of the property with due notice, dated 29-10-2010 allowing it to take away structures, but the lessee did not take away. Hence, the lessee has no right on the structures after expiry of the lease period. Therefore, there is no material to show that the Government of Andhra Pradesh is precluded from charging the lease rent for the existing godown, which is vested in it, by operation of Section 108 of Transfer of Property Act. The G.O.Ms.No.2, Infrastructure & Investment Dept., dated 9-1-2009 is applicable only to the extent of open lands.

9. In the above circumstances, and after careful examination and also keeping in view the public interest, Government hereby accord permission to the Director of Ports, Kakinada to reallot the Port land to an extent of 4130.836 sq. mts. in T.S.No.403/2B3, Ward No.6, Block No.14 of Kakinada Municipality, for a period of 2 (two) years to M/s Foods, Fats & Fertilizes Limited, **subject to reconsideration of the same on finalization of lease policy by the Government.** The lease rent for the open land shall be as per G.O.Ms.No.2, Infrastructure & Investment Dept., dated 9-1-2009 and in respect of godown, the lease rent shall be Rs.35/- per sq. meter per month as prescribed in G.O.Ms.No.48, Infrastructure & Investment Department, dated 19-12-2008. Further, M/s Foods, Fats & Fertilizes Limited shall be required to pay lease rents for open land / & or godown at the revised rates of lease rents if any effected by Government from time to time.

10. The Director of Ports, Kakinada is directed to enter into lease agreement afresh with M/s Foods, Fats & Fertilizes Limited, as and when the firm comes forward accepting the above terms.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

SUNIL SHARMA  
SECRETARY TO GOVERNMENT

To

The Director of Ports, Kakinada.

M/s Foods, Fats & Fertilizes Limited, First Floor, 6-3-569/2,

Rockdale, Somajiguda, Hyderabad-500082 (through Director of Ports, Kakinada)

The Principal Accountant General (CA), A.P., Hyderabad.

The Director of Treasuries & Accounts, Hyderabad.

The District Treasury Officer, Kakinada, East Godavari District.

Copy to:

The Government Pleader for TR&B, High Court of A.P., Hyderabad.

Law Department.

The P.S. to Secretary to Chief Minister

The O.S.D. to Minister (I&I, Ports, Airports & NG).

S.F./S.Cs

//Forwarded: By Order//

SECTION OFFICER